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| P | E | S | T | L | E |
| **POLITICAL** | **ECONOMIC** | **SOCIAL** | **TECHNOLOGICAL** | **LEGAL** | **ENVIRONMENTAL** |
| * **Changes in taxation:** Changes such as corporate tax rates, VAT, and other tax incentives or burdens might impact the budget allocation for HR activities.
 | * **Economic growth:** An expanding economy leads to increased business opportunities, requiring more hiring and training programs.
 | * **Demographic changes:** An aging workforce requires more focus on retirement planning and succession planning.
 | * **Advancements in technology:** Innovations like artificial intelligence (AI) and HR analytics are streamlining HR processes, from recruitment to performance management.
 | * **Changes in labor laws:** Regulations like the GDPR require stringent data protection measures, impacting how HR manages employee information.
 | * **Sustainability initiatives:** Promoting remote work to reduce carbon footprints or implementing green office practices.
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